

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2005-294-C - ORDER NO. 2007-603  
SEPTEMBER 7, 2007

IN RE: Application of Pac-West Telecomm, Inc. for	)	ORDER GRANTING
a Certificate of Public Convenience and	)	CESSATION AND
Necessity to Provide Resold and Facilities-	)	HOLDING DISPOSITION
Based Local Exchange and Interexchange	)	OF CERTIFICATE IN
Telecommunications Services within the	)	ABEYANCE
State of South Carolina.	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the July 24, 2007 letter of Pac-West Telecomm, Inc. (Pac-West or the Company) which notifies this Commission of the planned discontinuance of all telecommunications service to customers in South Carolina. This discontinuance is being undertaken as part of Pac-West's bankruptcy reorganization.

The letter states that on April 30, 2007, Pac-West filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. Bankruptcy Court for the District of Delaware. Pac-West has concluded that the markets served by Pac-West's eastern network, including South Carolina, are likely to continue to operate at a substantial loss for the foreseeable future and that these losses are unsustainable for the Company. Accordingly, Pac-West has determined that exiting its eastern regional footprint is essential to the Company's ability to successfully reorganize. The Company states that it presently has twenty-five (25) customers in South Carolina, all of whom are

internet service providers and enhanced service providers. There are no end-user customers in South Carolina. The cessation of service would take place on or about August 23, 2007, after notification to all affected customers. The Office of Regulatory Staff (ORS) does not object to the Company's cessation of business.

We will construe the July 24, 2007 letter as a Motion for Cessation of all telecommunications service in South Carolina. Because there are alternative carriers available for the Company's customers and direct notification has been made to those customers, we grant the Motion.

The letter does not request that this Commission cancel the Company's Certificate of Public Convenience and Necessity (the Certificate), granted on February 8, 2006 in Order No. 2006-85. Pac-West states its hope that, following its reorganization, it will again be in a position to expand its business. ORS recommends that this Commission cancel the Certificate upon the discontinuation of the Company's service in South Carolina, although ORS does not state the reasons for its recommendation.

We hold that the question of the disposition of the Certificate should be held in abeyance, because of our concern that due process must be allowed before the cancellation of a Certificate. Accordingly, the parties shall have twenty (20) days from their receipt of this Order to provide more information in support of their respective positions as to the disposition of the Certificate in this matter.

In summary, the Motion for Cessation is granted, however, the disposition of the Certificate shall be held in abeyance pending receipt from the parties within twenty (20)

days from their receipt of this Order, specific information as to their positions regarding the disposition of the Certificate.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



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G. O'Neal Hamilton, Chairman

ATTEST:



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C. Robert Moseley, Vice Chairman

(SEAL)